

Exhibit O
to
Declaration of Patrick M. Costello re Motion to
Convert Chapter 7 Case to a Case Under Chapter 11

Patrick Costello

From: Patrick Costello
Sent: Thursday, January 17, 2013 5:27 PM
To: Jeremy Katz
Cc: mansdorftrustee@sbcglobal.net
Subject: RE: Picongen

Jeremy,

There have been further material developments in the Picongen case.

There has been a change in the controlling equity and management of Picongen, and the new controlling shareholders and management of Picongen have determined to convert the case to one under Chapter 11 and seek to confirm a plan rather than sell the assets.

Since the Bankruptcy Code Section 706(a) provides the Debtor with a one time absolute right to convert at any time, I do not see anything that can or should prevent the immediate conversion to Chapter 11. Given that, I do not see how the sale hearing next Tuesday can go forward: the assets have to be preserved for the Chapter 11 case.

I have been authorized to act as special counsel to file the conversion motion and to appear if necessary at the hearing on Tuesday to explain why the sale of substantially all of the assets cannot proceed in light of the conversion. I believe that after that point, the Debtor will have obtained new general bankruptcy counsel.

Will you agree to cancel or otherwise postpone the proposed auction until the Court enters a motion on the motion to convert? Please advise at your earliest request.

Regards

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